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RUEHCG/AMCONSUL CHENNAI 2608

RUEHCI/AMCONSUL KOLKATA 1918

RUEHBI/AMCONSUL MUMBAI 1714

RUEATRS/DEPT OF TREASURY WASHDC

RUEKJCS/JOINT STAFF WASHDC

RUEIDN/DNI WASHINGTON DC

RHMCSUU/FBI WASHINGTON DC

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SMIG, IN

SUBJECT: INTERNAL MIGRATION POSES DAUNTING CHALLENGE FOR
INDIA

REF: MUMBAI 40

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¶1. (U) Summary: A skirmish last week in Parliament underscored a grave challenge facing India in the coming years: large internal migrations caused by the widening gap between successful states and failed states. This displacement of people has the potential for significant political, economic and social ramifications. One symptom of this emerging challenge played out over the last six weeks in Maharashtra, Bihar, Uttar Pradesh (UP) and most recently, Delhi. On March 5, over a dozen Members of Parliament (MP) cut across party lines to disrupt parliamentary business and demand that Parliament take action to punish Shiv Sena chief Bal Thackeray for unleashing a volley of abusive attacks on MPs from Bihar and Uttar Pradesh. The Bal Thackeray attack and the MPs' response is the latest in a battle that began in February when supporters of Raj Thackeray (Bal's nephew and head of a rival Maharashtra-based political party) targeted and physically assaulted migrants from Bihar and Uttar Pradesh. The United Progressive Alliance (UPA) government has shied away from direct involvement on the issue, with the Home Affairs Minister saying that the GOI has asked the Maharashtra government to take action.

¶2. (U) The disparity in standards of living, quality of life and economic opportunity between regions and states in India is stark and accelerating. As workers and their families flock to the flourishing states, they are placing heavy pressure on the already stretched infrastructure and public services, especially in urban areas which absorb most of the migrants. We would not be surprised to see more of these "native-soil" backlashes similar to Maharashtra's in other parts of the country during the coming years if India does not find a way to spread the benefits of economic development more evenly between the regions. Better governance in the distressed states would go a long way in attracting investment and creating jobs, thus reducing the lure of migration and the pressure of rapid urbanization.
End Summary.

Uproar in Parliament Over Thackeray Comments

13. (U) Sixteen angry MPs from Bihar and UP disrupted business in the Lok Sabha (lower house of parliament) on March 5, demanding action against Shiv Sena chief Bal Thackeray. The MPs insisted that Parliament initiate "breach of privilege proceedings" against Thackeray for his attacks on MPs who had earlier raised concern in Parliament about violence in Maharashtra against migrants from Bihar and Uttar Pradesh. Cutting across party lines, the protesting MPs belonged to the Rashtriya Janata Party, the Samajwadi Party (SP) and the Janata Dal (U).

14. (U) The demands of the MPs were triggered by abusive statements by Thackeray in the Shiv Sena magazine Saamna. He accused Bihar MPs of "spitting in the same plate from which they ate" by criticizing Maharashtrians. Excerpts from Thackeray's piece include: "(Biharis) are not wanted in southern India, Assam and also Punjab and Chandigarh. (They) are a burden in many parts of the country. (They) antagonize local populations wherever they have settled. The UP-Bihari MPs have shown their ingratitude...with an anti-Marathi tirade in Parliament." Thackeray attacked Railway Minister Lalu Prasad Yadav saying those who have ruined Bihar should not be trying to teach nationalism to Maharashtrians." He also referred to Bihar MP Prabhunath Singh as a murderer who should be in jail.

15. (U) The skirmish between MPs in Delhi and Thackeray in Maharashtra is the latest in a confrontation that broke out in February when supporters of Bal Thackeray's estranged nephew Raj Thackeray clashed with SP workers and targeted migrants from Bihar and UP in Mumbai (Ref A). Raj Thackeray attempted to consolidate support for his break-away Maharashtra Navnirman Sena (MNS) by cashing in on local resentment against migrants from Bihar and UP and

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irresponsible statements by a Mumbai-based SP leader.

Nitish Kumar Joins the Fray

16. (U) Bihar Chief Minister Nitish Kumar strongly protested the goings on in Maharashtra and the statements by Thackeray. He demanded that the UPA government act immediately to "protect the country's interests." He warned that the failure of the UPA government to intervene would indicate the Congress Party had become complicit in creating a hostile environment in Maharashtra. For his part, Thackeray had praised Nitish Kumar while slamming Bihar still harder when he was quoted as saying that Nitish Kumar is an honest and hardworking person, "who is not allowed to work by the pigs of hell."

Congress Party Tries to Duck the Controversy

17. (SBU) Home Minister Shivraj Patil, speaking in Parliament a day before the Bal Thackeray salvo, noted lamely that the UPA government disapproves of the violence in Maharashtra and had asked the state government to take action. Maharashtra Chief Minister Vilasrao Deshmukh evaded the issue, saying in Delhi on March 5 that his government is seeking legal opinion on whether it can begin proceedings against Bal Thackeray and Saamna.

Breach of Privilege Proceedings

18. (U) Speaker Somnath Chatterjee told Parliament that he takes the matter very seriously and "any comment on our members...we (will) treat with the contempt that it deserves...and action that may be necessary will be taken according to procedure...and norms". He assured the parliament that "certainly no one will be spared." Breach of

privilege proceedings can be requested by a member of parliament who feels falsely accused by anyone of fraud or misdeed in the conducts of his/her parliamentary functions and duties. If the speaker believes there may be reasonable grounds for breach of privilege proceedings, he will constitute a parliamentary committee to hear the matter according to established rules. The parliamentary committee has full judicial authority to examine the case, summon witnesses and pass judgment, including imposing any sentences it wishes.

Comment: Breach of Privilege Determination Unlikely

¶9. (SBU) It is unlikely that the speaker will rule that there are reasonable grounds for establishing a breach of privileges committee. The UPA government will want to tread lightly on this issue because of its combustibility. The Congress Party is not displeased, however, with the escalation that is taking place on many sides of this matter.

An Embassy contact suggested that the Congress Party, in trouble in Maharashtra in the run-up to national elections, had encouraged Raj Thackeray to take up the battle against migrants because it would draw support away from Bal Thackeray's Shiv Sena, a long-time Bharatiya Janata Party (BJP)-ally. Bal Thackeray's own inflammatory language may be an effort to hold on to the Maratha-chauvinism vote by outdoing his nephew at his own game.

Comment: Grave Underlying Challenge

¶10. (SBU) The Maharashtra backlash against migrants and the events that unfolded after Raj Thackeray's supporters targeted people from Bihar and UP are symptoms of a much deeper challenge facing India: the large internal migrations being induced by the accelerating economic, social and governance disparity between successful states and the failed states of the country. Tamil Nadu, Gujarat, Karnataka,

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Maharashtra, Punjab and Haryana are pulling away from states like Bihar, UP and Orissa in all the important economic and social sector indicators. The widening gaps between the have and have-not regions are causing people to move, particularly to the urban areas in the flourishing states. This, in turn, is placing heavy pressure on the already stretched and inadequate infrastructure and health, education and other public services in the urban areas. It also brings with it lower wages, urban sprawl, shanty towns, slums and higher crime.

¶11. (SBU) We would not be surprised to see more of these "native-soil" backlashes in other parts of the country during the coming years if India does not find a way to spread the benefits of economic development more evenly between the regions. Local and regional politicians will find it hard to resist harnessing the discomfort and unease of the local population against the migrants. The internal displacement of people will have profound political, economic and social ramifications in the years to come. Better governance in the distressed states would go a long way toward attracting investment and creating jobs, thus reducing the lure of migration and the pressure of rapid urbanization. End

Comment.

MULFORD